

the masonry upon it, will, with one exception, be finished soon after the present year.

The excavations and masonry on the 2d division are in general progressing rapidly. The deep cut at the summit, containing about 160,000 yards will be completed in February or March. But four sections on the 3d division have not been commenced. It is believed with proper energy they may all be finished by June next, save the 85th, on which is the tunnel. From the character of the energetic contractors on this section, every reasonable expectation may be indulged, of its completion in the shortest possible time.

The total amount expended on the formation of the road bed to this date, including masonry, is \$200.178 68.

It was my intention to have prepared and presented to the Board of Directors at the present annual meeting of the stockholders, a more accurate and detailed estimate of the cost of the road, predicated on the data of an actual location, than has heretofore been offered.

But the great irregularity of ground on the numerous steep and rocky side hills, prevented the completion of the requisite calculations in time. As soon as the assistants on the line can finish them, without neglecting other duties more immediately connected with the advancement of the work, the estimate shall be finished and reported.

Arrangements will be made for the distribution, this winter, of the iron rails (1831 tons of which have already been landed) along the different sections of the road.— During the same season, sleepers and broken stone will be provided, in time to commence laying rails, as soon in the spring as the frost will permit, on all the sections which shall have been then finished. As each remaining section is in turn finished during the ensuing summer, the rails will, in succession, be placed upon it, until the superstructure is laid down on the whole line of road.

The failure of a contractor to supply in time the requisite quantity of lumber for the bridges on the 1st division, will enhance the cost of, or at least retard the distribution of rails along the line of road. Measures have been taken which will prevent the recurrence of a similar disappointment.

In accordance with the views of the Board of Directors,